

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

TEXAS ASSOCIATION FOR MONEY SERVICES BUSINESSES (TAMSB); HIGH VALUE, INC.; REYNOSA CASA DE CAMBIO, INC.; NYDIA REGALADO d/b/a BEST RATE EXCHANGE; MARIO REGALADO d/b/a BORDER INTERNATIONAL SERVICES; LAREDO INSURANCE SERVICES, LLC; E.MEX. FINANCIAL SERVICES, INC.; R & C, INC. d/b/a TEMEX MONEY EXCHANGE; SAN ISIDRO MULTI SERVICES, INC.; CRIS WIN INC. d/b/a BROWNSVILLE CASA DE CAMBIO; ESPRO INVESTMENT LLC d/b/a LONESTAR MONEY EXCHANGE; and ARNOLDO GONZALEZ, Jr.,

Civil Case No. 5:25-cv-00344-FB

Plaintiffs,

v.

PAM BONDI, ATTORNEY GENERAL OF THE UNITED STATES; SCOTT BESENT, SECRETARY OF THE TREASURY; UNITED STATES DEPARTMENT OF THE TREASURY; ANDREA GACKI, DIRECTOR OF THE FINANCIAL CRIMES ENFORCEMENT NETWORK; and FINANCIAL CRIMES ENFORCEMENT NETWORK,

Defendants.

AMENDED DECLARATION OF ARNOLDO GONZALEZ, JR.

I, Arnoldo Gonzalez, Jr., being of competent mind, declare as follows:

1. I am a United States citizen and a resident of Laredo, Texas. I am 61 years old.
2. I am a plaintiff in the above-captioned civil action.

3. I am the secretary of High Value, Inc. (“High Value”) a Texas corporation, which is also a plaintiff in the above-captioned civil action.

4. I manage High Value on a day-to-day basis. I have authority to speak for High Value. I have been in the money-changing business for over 40 years.

5. High Value is located at 820 Santa Ursula Ave, Laredo, TX 78040.

6. High Value has operated since 2000. I have been in charge of High Value that whole time. High Value is a small business that operates from a convenience store located near where the interstate meets a border checkpoint. Typically, High Value has five employees. A cashier is always on duty. We are open 24 hours per day. There is only ever one cashier on duty. I am on duty 8am to 5pm on a typical day.

7. High Value is a Money Services Business (“MSB”) registered with the federal Financial Crimes Enforcement Network (“FinCEN”).

8. Because it is located in zip code 78040, High Value is subject to FinCEN’s March 14, 2025 geographic targeting order (the “Border GTO”) requiring currency transaction reports (“CTRs”) for cash transactions over \$200.

9. High Value offers currency exchange between American dollars and Mexican pesos. It is strictly a cash-for-cash business. We don’t do money orders, money transfers, or any other sort of transaction.

10. Currency exchange is a simple process: The customer provides us with the currency—whether dollars or pesos—they want to exchange and we calculate what amount of the currency they want—pesos or dollars.

11. If the amount the customer wants to exchange is less than \$1,000, that’s it—we don’t have to collect any information. The process usually takes less than five minutes, often just

one or two minutes. I estimate that approximately 96 percent of our transactions fall in that category.

12. If the amount the customer wants to exchange is between \$1,000 and \$3,000, we take down the customer's identification information and social security number and a copy of all documents. That's also quick and only takes about five to ten minutes. We don't report that information to the government. I estimate that approximately 1.5 percent of our transactions fall in that category.

13. If the amount the customer wants to exchange is more than \$3,000, then we also have to take and file away the customer's information in compliance with FinCEN's recordkeeping requirements for transactions over \$3,000. We do not send that information to the government. I estimate that approximately 0.5 percent of our transactions are over \$3,000 but less than \$10,000. This takes ten to 15 minutes.

14. Approximately 2 percent of transactions are between \$10,000 and \$20,000. Most of these transactions are with Laredo Insurance and just involve High Value replenishing its inventory of pesos. They are typically for about \$11,000. Most of my business is changing dollars into pesos. So I need to replenish pesos.

15. It is exceptionally rare for a customer to want to change over \$10,000 in cash. I personally know the business customers who make these rare transactions. For each transaction over \$10,000, High Value records the customer information and files a Currency Transaction Report to report the transaction to the federal government.

16. We are very careful to obey the law. Very rarely, if someone shows up and wants to change more than \$1,000 and we ask for identification and the person instead asks to change a

lower amount without ID, we send that person away. We do not allow people to structure their transactions to avoid reporting requirements.

17. I think a significant portion of the exchanges we do—more than 27%—range from just over \$200 to \$10,000. Many of the exchanges we do will require a CTR under the Border GTO. In particular, I estimate about 24 transactions per day will require a CTR.

18. There is no way we can absorb the cost of doing so many CTRs. In my experience, doing a CTR takes about 10 minutes of speaking with the customer and 15 minutes of inputting the information for a total of around 25 minutes. Considering that we have an average of 24 daily transactions that would require a CTR under the Border GTO, at 15 minutes of extra paperwork just inputting the information per transaction, we are looking at about 6 hours of additional paperwork per day or 180 hours of extra paperwork per month (subtracting the 10–15 CTRs we already do monthly). If we also count the amount of time it takes to get information from customers, that 6 hours per day increases to about 10 hours per day—for an actual total of 300 hours of additional work per month (subtracting the 10–15 CTRs we already do monthly). That is totally infeasible for High Value. We would have to hire additional full-time employees.

19. The Border GTO is such a huge problem for High Value that I fear it may destroy the business. Many of High Value’s customers exchange amounts over \$200, so the Border GTO applies to more than a quarter of all of High Value’s transactions.

20. High Value does not have the resources to comply with the Border GTO. The total value of all exchanges per day ranges on average from \$5,000 to \$15,000. Generally, for the retail customer at the window, we buy approximately 20.5 pesos for one dollar and sell approximately 19 pesos for one dollar. We buy pesos wholesale to replenish our inventory at a different price. These prices fluctuate at market rates. All of our operating expenses (wages, rent, utilities,

regulatory compliance, audits, and profit) come from that spread between our buying and selling price for pesos. So, for example, if we did approximately \$10,000 dollars worth of business in one day, we would have about \$731 left for the business to use to pay that day's wages, rent, lights, water, phone and Internet, etc.

21. Money changing is a very competitive business. There are money changers on both sides of the border driving prices to the bottom. Anyone who charges too much will quickly find themselves without customers. The business is so competitive that we all advertise our buying and selling prices on signs visible from the road.

22. It is not a matter of changing how much we buy and sell pesos for. We can't possibly comply with the law and stay in business. The cost of hiring so many people to spend so much time on paperwork means our prices will have to rise so much that we can't compete with the money changers on the Mexican side, with the regular banks (which don't have to comply with the new reporting requirements), or with money changing businesses in other zip codes not subject to the law.

23. It is not just a matter of the time and effort to comply with the GTO. I expect that many High Value customers will not want to provide very sensitive personal information to the federal government every time they engage in currency exchanges for perfectly legal, low-dollar transactions. Under the regulations that apply normally, we don't have to take any information for transactions under \$1,000. We need to take down identification for transactions between \$1,000-\$9,999. \$10,000 and above requires a CTR. Especially in the current climate, a lot of people, even though they are Americans or lawfully in the United States, may not want to attract attention. They might think, why is the U.S. government suddenly demanding all of this information? Will the

government make a mistake and come after me? Am I going to be put on some list of potential criminals?

24. In my experience, about 80 percent of High Value customers are Americans going to Mexico or Mexicans coming to America for personal reasons. For example, American tourists from all over the country enter and exit Mexico at Laredo. It is common for them to stop to change American dollars into Mexican pesos. A significant portion of that 80 percent are also locals who live in the Laredo, Texas and the Nuevo Laredo, Mexico communities. Many Americans, like my son, are married to Mexican citizens. They live in Nuevo Laredo on the Mexican side but commute daily to work in Laredo. They live their lives on both sides of the border and use dollars and pesos on a day-to-day basis for things like groceries or haircuts. For example, there is a big outlet mall on the Laredo side near the Rio Grande. The back wall of the mall is a huge mural facing Nuevo Laredo on the Mexican side advertising American and European brand names. Mexicans frequently cross the border to shop at the mall. Many of them change money at High Value coming and going to shop at the mall. This kind of life may sound unusual to people who don't live in a border community, but it is common here. To us, there is nothing strange, and certainly nothing criminal, about it.

25. About 20 percent of High Value customers are local business people on both sides of the border who buy goods on one side or the other for use at their businesses. They need to change money coming and going. Again, there is nothing unusual or suspicious about businesses on both sides of the border buying one another's goods and services.

26. Laredo is the busiest border crossing in terms of trade. Trucks come and go non-stop along I-35. This is a busy place with honest people going back and forth for legitimate business that is good for both countries.

27. I do not believe that High Value customers have anything to do with cartels or criminal activity. I believe they are overwhelmingly honest, hardworking people who get value from High Value's services.

28. The \$200 limit destroys any privacy High Value and many of its customers have essentially because so many transactions will now be subject to a CTR. This new law appears to assume everyone is potentially guilty of something, so a record must be made so that everyone can potentially be investigated. I have been in the money changing business my whole life. I recognize that we are subject to a lot of auditing and regulation. But this goes too far. It's no longer the case that the government is looking for that rare situation in which a large transaction of five figures or above will lead to a major criminal network. This is just the government watching everyone at all times. That is not a free country.

29. I also believe that the Border GTO makes High Value turn over customers' private information to the federal government when the government does not suspect High Value's customers of any crime, much less have a warrant. Further, I believe the federal government is invading High Value's customers' privacy and making High Value a party to that invasion of privacy.

30. In this way, the Border GTO makes High Value a sort of spy on High Value's customers on behalf of the federal government.

31. High Value does not want to invade its customers' privacy. To be clear, if the government ever had a warrant based on a real concern about actual crime, High Value would cooperate. High Value has no desire to deal with criminals or protect criminals. We are a law-abiding business.

32. High Value diligently maintains records required by Texas and federal law and complies with state and federal regulations related to MSBs, including making Currency Transaction Reports (“CTRs”) for cash transactions of \$10,000 or more.

33. High Value is routinely audited to ensure compliance. High Value has never gotten in trouble as a result of any audit. High Value has never been in trouble with the law in any way.

34. This law will harm law-abiding American businesses. All American money changing businesses are routinely audited. We are not fronts for illegal Mexican drug cartels. This law will be a windfall for Mexican money changing businesses. They can continue to offer their customers a quick, streamlined service that we won’t be able to offer anymore.

35. As the manager of High Value for 20 years, requiring a CTR for transactions \$200 and above will destroy High Value.

36. I am 61. My family and I rely on High Value to earn a living. If High Value closes, I will no longer be able to rely on income from High Value.

37. High Value wants to continue offering its valuable currency-exchange services to regular people.

38. As an individual, I know the value of MSB services like those High Value offers.

39. I regularly exchange currency between American dollars and Mexican pesos for various everyday transactions. Though I live and work on the American side of the border, my doctor is located on the Mexican side of the border, so I regularly exchange currency to pay my doctor. I have exchanged currency in the past and will continue to do so in the future, including within the next 180 days or before September 9, 2025. Between now and September 9, 2025, I expect to have to exchange currency over \$200 at least six times since I generally exchange at least

once a month. I usually exchange about \$250 at a time, and I expect that in the future it will be about the same amount.

40. I am an American citizen with the right to be free from unreasonable searches by my government. I value my privacy and want to maintain it.

41. I object to my personal information being reported to the federal government every time I exchange currency to use in everyday transactions in Mexico—a perfectly legal and honest thing to do. I feel that this is private information that the government does not need. This is especially true because one reason I exchange money is for private medical care. Health care is more affordable to me in Mexico. That is my business.

42. I believe the government should not be allowed to demand my personal information or invade my personal financial life without a warrant.

I declare under penalty of perjury that the foregoing is true and correct.

DATED and SIGNED this 10th day of May 2025.



Arnoldo Gonzalez, Jr.